

**MINUTES**  
**Defense Acquisition University (DAU)**  
**Board of Visitors (BoV)**

Meeting Date: March 4, 1997

Place: Defense Systems Management College (DSMC), Building 184

0830 - **Welcome** - Mr. Thomas M. Crean, DAU President welcomed the members of the Board and the staff in attendance. He also introduced Ms. Donna Richbourg, the Acting Deputy Under Secretary of Defense for Acquisition Reform. Mr. Crean requested each person in attendance to introduce themselves to the group.

0835 - **Report - Defense Acquisition Career Development Council (DACDC)** - Dr. Jacques Gansler, BoV Chairman reported on the first meeting of the DACDC held on January 8, 1997. Dr. Gansler presented the briefing he gave to the DACDC on behalf of the BoV. The original briefing was updated March 1, 1997 to reflect the actions presented in the USD(A&T) tasking memorandum of February 27, 1997.

The BoV was portrayed as having members representing a good cross-section of academia and industry. The role of the BoV is seen as: 1) stimulating DAU enhancements and 2) presenting opportunities for improvement. The briefing presented six areas of focus: 1) Applying information age technologies, 2) Contracting-out, 3) stimulating acquisition research, 4) DSMC as a "world class" institution, 5) Cooperation between DAU and DSMC, and 6) the 21<sup>st</sup> century vision of DAU. The briefing was well received by the DACDC members and the six areas of focus were reflected in the USD(A&T) tasking memorandum of February 27, 1997, as follows.

#1 - The President, DAU provide for information age technologies in course delivery. Plan to be presented to the BoV, then to PDUSD(A&T) by April 15, 1997. TDY and course delivery savings are to be re-invested into more course conversions and continuing acquisition education initiatives.

#2 - The President, DAU provide a detailed outsourcing plan with contractual vehicles in place by the end of FY 1997.

#5 - The PDUSD(A&T) investigate DAU/DSMC cooperation.

#6 (includes #3 & #4) - The President, DAU will formulate a DAU vision which provides a long-term direction; defines its leadership role; increases the quality of DAU and the consortium in order to attract world-class faculty and foster research. The vision should include a plan for achieving these goals while addressing total personnel and financial resources required. This is to be reviewed by the BoV, at its June meeting, prior to submittal to the USD(A&T).

0850 - **Discussion** continued on the opportunity for better senior-level management understanding and focusing on the issues the DACDC briefing provided.

Mr. DeMayo stated Comptroller buy-in is crucial. The commitment of the Comptroller to allow the schools to reinvest savings was encouraging. This assurance was given at the DACDC meeting. Also, the support of the Services is critical. The SAEs are members of the DACDC and expressed their full support. The SAEs were asked to give the workforce time to attend courses (a point which will be stressed during the upcoming AR Week).

Dr. Eaton pointed out the University of Maryland is losing students to other schools offering distance learning, resulting in a continuing education problem. A study has shown, over time, a worker makes between 3 and 6 career changes. Workforce training is a new niche for learning institutions and computer literacy is a "pull" for education and training.

Mr. Crean reported on the DAU actions resulting from the DACDC meeting. Dr. Kaminiski had stated: "... it was time to get on with business..." The DAU Distance Learning Plan is scheduled to be briefed to the BoV at this meeting and the Outsourcing Plan and Vision will be briefed at the next BoV meeting on June 20, 1997.

Lt. Gen. Ferguson stressed the need to know your customers. The media, whether Internet or CD-ROM, etc., must match the customer capabilities.

Mr. Crean reported a USD(A&T) memorandum was distributed requesting workforce computer capabilities. The report was due to Dr. Kaminski by March 1, 1997. No data had been received to date. It was pointed out AR Week materials for March 17<sup>th</sup> were provided to the field on CD-ROM and are available on the World-Wide Web. The DAU was assured this method of distribution could be handled. Access to CD-ROM is essential and need not necessarily be on each individual computer. Hard copy "VIP packages" of AR Week materials were sent to about 250 senior-level Pentagon managers at a cost approximately equal to the 2,500 CD-ROM copies. Mr. Gallager requested a copy of the CD-ROM and it was pointed out that he could access the information on the DAU Web site (<http://www.acq.osd.mil/dau> HotLink ARCC to HotLink What's HOT !).

BG Black presented his impressions of the January, 1997 DACDC meeting. This was the first meeting of the DACDC. It seemed to be an eye-opener for senior-level managers and broadened their view of education and training. 80% of those providing feedback from AR Day I pointed to the need for continuing education and training. The challenge is to institutionalize the Acquisition Reforms. Dr. Gansler's briefing provided the highlight and stimulated increased discussion of the issues: to shorten the education and training cycle time; cross-training is required; and computers and computer literacy is providing a "pull" on education and training. The challenge is to convince management what is in the realm of possibility.

Mr. DeMayo suggested research not tied to the current bureaucracy is required. The DoD should be more like a commercial business. We must broaden our scope and not be tied down.

Lt. Gen. Ferguson pointed out the BoV had just offered many more research topics than had been previously reported and suggested a process for generating research topics was required.

Dr. Eaton questioned why students choose one form of learning over another. Data from some recent studies indicate non-traditional learning is better than classroom learning.

0950 - **BREAK**

1000 - **The DAU Distance Learning (D/L) Plan** - Mr. Crean provided an overview of the D/L Plan which was briefed to the Consortium Heads on the previous day. Numerous presentations are scheduled within the next few months. The schedule is fast moving and some Consortium members believed it may be too fast. The savings presented in the plan were also questioned by some Consortium Heads. Dr. Gansler cautioned not to just emphasize the D/L Plan costs, but point out how much better education and training will be and how it is needed by the workforce.

Mr. Crean outlined the three long poles: 1) course content needed to be stabilized; then different delivery methods could be researched; 2) the faculty mindset must change and they will need to be trained; and 3) the resources to accomplish the D/L Plan goals must be available.

It was pointed out only one third of the workforce has taken any DAU courses within the last four years. This discounted those workforce members already certified and those who attended any of the Roadshows, broadcasts, or AR materials provided through the ARCC. The responsibility for continuing education rests with the Director, Acquisition Education, Training and Career Development. The continuing education program is still being developed but acquisition related training would be required to meet the requirements for continuing certification. Dr. McMichael should present this program (in initial concepts) at the June BoV meeting.

1020 - **The DAU Distance Learning (D/L) Plan** - Mr. Will Peratino, the DAU Program Manager for Technology-Based Education and Training presented a briefing on the D/L Plan. The objective is to convert classroom to technology-based training, where appropriate. Dr. Eaton questioned how "appropriate" is determined. Discussions about Level III courses being at the managerial level may require more group interaction. Some mix of technology-based and classroom training may, therefore, be appropriate. Dr. Eaton cautioned about looking at faculty workloads, rewards, etc. Dr. Gansler stated "as appropriate" is too cautious and the DAU should strive for converting 100% of its courses, with exceptions, after analyses have been completed.

BG Black also commented that the Distance Learning Plan is revolutionary and while we must go as fast as possible, maybe it's not doable within the schedule presented.

0920 - **DAU Actions Status Reports** - Mr. Crean presented the status of BoV requested actions. 1. The Outsourcing PAT has not been started. The DAU Distance Learning (D/L) Plan includes a great deal of outsourcing and a PAT will be established soon. The management of the D/L program will be done in-house, while techniques will be outsourced.

Dr. Gansler stressed the need to start D/L implementation on a few items without waiting for all the requirements to be established.

2. DAU Costs include TDY and civilian faculty, but do not include military faculty nor the student time in training. 60% of these costs are Service borne. The DAU is attempting to capture Total Costs. The total costs will be changing with the implementation of D/L as realized through a reduction of the time in training. A report of some preliminary results pertaining to cost reductions and D/L will be made at the June 20<sup>th</sup> BoV meeting.

Mr. Campbell stated the need to include personnel and fringe benefit costs within the Total Cost calculation. This would facilitate costs of outsourcing comparisons. There is a need to also include un-funded costs, if possible. It was stated the 7% un-funded retirement costs are already included in the calculation. Military faculty and time in training costs are not included (re-iterated) nor depreciation, but overhead costs paid are included.

3. The DAU Acquisition Enhancement Program has not been started. This program was defined as stating the DAU role in the leadership of national acquisition research and providing assessments of its effectiveness. The DAU would not necessarily do the research but would provide the stimulus for it. The program is required to "advance the state-of-the art", but little has been done, so far.

A need to present a Strategic Plan and not just a Vision Statement was addressed. Discussions continued on the BoV providing clarification of what is research. Mr. Levi stated the first priority for a research topic could be the acquisition infrastructure cost savings resulting from the decrease of the Acquisition Workforce (AWF). Mr. Adolph proposed looking at the evolution of the ACTD process as policy related research. The ACTD process is in danger of getting bogged down with bureaucratic impediments if steps are not taken to insure that process flexibility is maintained. Mr. Crean reported of 75 students in the Senior Acquisition Course (ACQ 401) only 10 research topics were generated. BG Black reported DSMC gets one Service representative each year, available to do research. A report of a previous year's research area and a paper outlining the current research project were distributed.

1225 - LUNCH

1315 - BG Black Welcomed the members of the BoV.

1320 - **Briefing - Course Currency**

At the last BoV meeting, Dr. Gansler, BoV Chair, raised concerns about the currency of DSMC course material with respect to the latest acquisition policies and procedures. In response, Mr. Reed, Dean of Faculty, briefed on the process for maintaining course currency. He discussed the two DAU policies regarding academic program review and course development, revision, and maintenance. He highlighted the faculty certification, instructor preparation, and curriculum review processes to ensure course currency.

Dr. Gansler asked, "If the courses are current, why do the Services continue to send out briefing teams?" General Black pointed out three reasons: a) show command emphasis on the acquisition reform changes, b) provide service specific information; and c) provide the latest information to the non-DAWIA acquisition workforce which do not attend the DAU courses.

The BoV members inquired whether DSMC conducts appropriate course assessments and tracks changes in course content? They view both of these as "powerful tools" that should be used to identify how much acquisition policy and procedures have changed (i.e., acquisition reform), and target who needs training. Mr. Reed indicated that DSMC employs a faculty assessment process and could easily track course changes by reviewing course books. Further, DSMC will be able to use these changes to develop distance learning modules to benefit all acquisition workforce members, not just the DAWIA workforce.

**Recommendations:**

None.

1350 - **Briefing - PBD 081 Resolved**

Mr. Scibetta, Deputy Dean for College Administration and Support, provided the BoV the final Program Budget Decision (PBD) 081 resolution. The PBD, if implemented as proposed, would have significantly downsized the DSMC faculty and staff based solely on teaching hours and an overhead percentage. The BoV agrees that teaching hours are a poor metric and should not be the sole basis for determining end-strength. The BoV emphasized the importance of including research and consulting in any analysis of required DSMC end-strength.

**Recommendations:**

None.

The Simplified Acquisition Procedures (SAP) interactive Internet Course was demonstrated. Ms. DePeiza stated this was a team effort involving functional board provided subject matter experts (SMEs), instructors from three consortium schools, and contractors. SAP is a continuing education course which evolved from Purchasing 101 and 201 and Contracting 101 courses. The infrastructure used to support the SAP course includes student self-registration, online testing, faculty administration and course management through e-mail and online conference rooms with course resources which link to other electronic documents. Reaction to the demonstration was extremely positive. Lt. Gen. Ferguson proposed the managerial-level courses may be the first candidates for conversion because they would allow for less travel and less time in training.

While addressing the largest population, continuing education is not addressed in the D/L Plan. BG Black stated education and training had to be taken to the Acquisition Workforce so they could adapt to problems; get references; and solve current issues. Dr. Baldwin suggested the transition to D/L will be difficult and the results must be measured. Dr. Eaton stressed the focus must be on the learner and that school curricula were previously built for school and/or faculty certification/accreditation without a focus on the learner. Dr. Gansler re-iterated Mr. DeMayo's statement that CON 101 may be a good starting point in order to show the difference between training (the way it is/was) and education (the way it will become).

Lt. Gen. Ferguson stated the D/L Plan does not follow the Program Management techniques taught in DAU courses, where the Program Manager is given the resources and authority to execute the program. The D/L Plan gives the manager the responsibility without authority. Discussion continued about how D/L had to be accomplished within the DAU consortium structure (no direct line authority) and will rely on the leadership of DAU to get the Consortium buy-in.

The BoV questioned the magnitude of the current budget for D/L; from where the resources were coming; staffing (military portion must be added); and the necessity for an estimate of the resultant staff reduction following D/L implementation. The Schools' buy-in is crucial to the D/L implementation. The BoV stressed it needs to be a DAU Consortium D/L Plan.

Mr. Campbell said the personnel reduction is a given, therefore, a phased plan to accomplish the reduction must be included.

Dr. Sack stated the needs for implementation as: 1) dedicated faculty/Functional Board representation for Subject Matter Experts; 2) the resources; and 3) the "go-ahead" (consensus was this was given by the February 27, 1997 USD(A&T) memorandum). The Front End Analyses and rapid prototyping techniques are in place.

The BoV stated the DoD Comptroller reprogramming of resources needs to begin now. The Comptroller and SAEs were part of the DACDC and the resultant February 27, 1997 USD(A&T) action memorandum.

#### **1425 - Briefing - PMI Status**

At the request of the BoV, Mr. Ayer, Executive in Residence at DSMC, briefed on the DSMC relationship with the Project Management Institute (PMI). PMI is a non-profit professional organization dedicated to advancing the state-of-the-art in the management of projects. Its membership is predominately non-DOD. An example of cooperation between PMI and DSMC is DSMC's sponsorship of an after-hours APMC elective to assist students prepare for PMI certification.

#### **Recommendations:**

None

#### **1445 - Briefing - DSMC Corporate Plan Implementation**

Colonel Brown, Dean, Academic Programs, briefed the DSMC FY97 Corporate Plan that had been previously provided to the BoV members. He highlighted the five strategic initiatives that had been previously presented to the Defense Acquisition Career Development Council (DACDC) and the action plans developed to accomplish each initiative.

Dr. Gansler inquired whether the DAU distance learning plan and DACDC Action Memorandum, dated 27 Feb 97, had been integrated into the plan? General Black responded that we will ensure that our actions to implement distance learning support the coordinated and approved DAU DL plan. With respect to changes to the Corporate Plan requested by the DACDC, the changes had been incorporated into the plan.

Dr. Gansler later raised some concerns about where in the DSMC budget were the future investments and savings associated with distance learning. General Black pointed out that DAU is centrally managing distance learning and almost all the funding is currently in their budget. Further, the DAU distance learning plan was released 27 February 1997, has not been approved by OSD, and therefore the DSMC budget does not currently reflect its implementation. DSMC fully supports distance learning and is currently working the integration of the DAU plan with the DSMC Corporate Plan and budget.

The BoV also expressed concerns that: (1) the Corporate Plan did not include a strategic objective on faculty development. (2) DSMC should set up resources for external sponsorship of acquisition research, including "assessment"--linked to a faculty member for oversight.

LtGen (Ret) Ferguson requested a copy of the DSMC acquisition research projects.

#### **Recommendations:**

1. DSMC aggressively pursue the research and consulting initiative.

2. DSMC include as a “strategic objective” the development of a “world class” faculty (for 21st century education, research and consulting).

**Action:**

1. DSMC will give faculty development a prominent role in the FY98 Corporate Plan.
2. Provide BoV members a listing of DSMC research projects.

**1525 - DSMC Questions/Discussion**

DSMC solicited the BoV’s views on three questions relating to the DSMC future:

Question 1: What criteria should be used to select courses to be taught through distance learning and the technologies to deliver those courses?

Discussion: The BoV believes that all courses should be considered for distance learning in whole or in part. However, they also believe that a mix of classroom instruction and distance learning will provide a richer learning experience for the students. The BoV also recommends using proven educational technologies and leasing the distance Learning equipment as a hedge against the pace of technological improvements in this area.

Question 2: Given 4-fold nature of our mission: (Education and Training; Research; Consulting; and Information Dissemination) What criteria(s), in addition to or in lieu of teaching hours, should be utilized to determine our faculty strength?

Discussion: The BoV reaffirmed that teaching hours are a poor metric. They also emphasized that high teaching hours is inconsistent with the need to properly support acquisition research and consulting. BoV members agree that the current faculty teaching load leaves little time for research and consulting. The BoV feels that one range of a percentage breakout between teaching, research and consulting may not fit all faculty members. It was suggested that an alternate approach is to use a team approach where the team average is the metric for the entire faculty.

Question 3: Is DSMC a world-class organization? If yes, Why? How do you suggest DSMC maintain “status?” If no, Why? How does DSMC achieve “world-class” status?

Discussion: The BoV consensus was that in the area of acquisition education DSMC provides high quality products. However, with regard to researching and consulting, the BoV believes that DSMC needs to dedicate greater resources to achieve the goal of being a “world class” institution and recognized leader in acquisition research.

## Recommendations:

The BoV members reiterated the recommendation of the need for a strategic objective on development of a “world class” faculty.

## Action:

See Action #2 under DSMC Corporate Plan Implementation

## 1605 BoV Executive Session

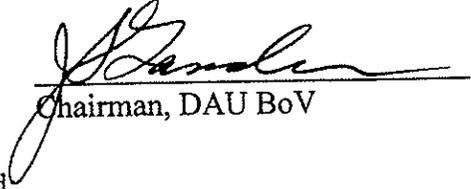
### Resultant Actions/Issues/Highlights:

- Scope of DAU
  - All Acquisition personnel - not just 100,000 DAWIA
  - Continuing education - not just “accreditation”
  - Leadership - not just oversight of consortium members
  - Vision - due in June
- DAU/DSMC/other consortium members as a “university” (recognizing multiple “bosses” structure)
  - Develop a “working model” - start with “D/L Plan”
- “D/L Plan”
  - White paper (first draft) done by DAU - need to get final plan and “buy-in” from consortium (Deans and faculty); must stress quality of learning - not just cost savings; need to do financial analysis: 1) investments required and sources identified (against current budgets); and 2) savings - XX% of students’ time (returned to Services); travel and per diem (DAU to return, all or some, to schools - as incentives - for use in D/L; and need a “faculty and administrative transition plan”
- DAU to set up a PAT on “outsourcing” and report results and plan to BoV in June
- Acquisition Reform is a continuing process of change - don’t wait for things to “stabilize”
- Need to develop a “plan” and a “process” for the 40 hours per year of continuing education (ACTION: Dr. Jim McMichael)
- DAU to develop a plan for “acquisition enhancement program” and report to the BoV in June
- DSMC to set up resources for external sponsorship of acquisition research, including “assessment” - linked to a faculty member for oversight (include in Vision Plan).
- DSMC to have as a “strategic objective” the development of a “world class” faculty (for 21<sup>st</sup> century education, research, and consulting) including metrics

1650 Adjourn

DECISION:

Approved:

  
Chairman, DAU BoV

Disapproved:

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Other:

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**ATTENDEES**  
**Defense Acquisition University (DAU)**  
**Board of Visitors (BoV)**

Meeting Date: March 4, 1997

Place: Defense Systems Management College (DSMC), Building 184

**BoV**

Mr. Charles "Pete" Adolph  
Mr. Donald Campbell  
Dr. Lionel Baldwin

Mr. Peter DeMayo  
Dr. Gertrude Eaton  
Lt Gen Thomas Ferguson

Dr. Jacques Gansler  
Mr. James Gallagher  
Mr. Eric Levi

Absent: None

**DAU Office of the President**

Mr. Thomas Crean  
Ms. Norline DePeiza  
LTC R. Alan Gregory  
Mr. Will Peratino

Mr. Frank Sobieszczyk  
Dr. Lenore Sack  
Mr. Joe Wargo  
Mr. Bob Wolownik

**DoD**

Ms. Donna Richbourg

Dr. James McMichael

Mr. W. Hauenstein

**DSMC**

BG Richard Black  
Mr. Jack Dwyer  
CAPT Robert Vernon  
Mr. Richard Reed  
Mr. Edward Hirsch

Dr. James Price  
Mr. Gibson LeBoeuf  
Major Luis Ramirez  
Mr. George Krikorian  
Mr. Dave Scibetta

Col. Sam Brown  
Col. Chuck Waltrip  
Mr. Stan Crognell  
Mr. Bob Ainsley  
Mr. Fred Ayer

**Consortium Schools**

Dr. Jerry Smith  
Mr. Joe Burton  
Dr. John Matherne  
Mr. Ken Kischishita  
Mr. Ron Weiss  
Dr. Richard Murphy  
Dr. Richard Graham  
Ms. Shari Durand  
Dr. David Lamm  
Ms. Barbara Mroczkowski

## COMMON ACQUISITION ACRONYMS

<b>ACO</b>	Administrative Contracting Officer
<b>ADR</b>	Alternate Dispute Resolution
<b>AFB</b>	Air Force Base
<b>ANSI</b>	American National Standards Institute
<b>APAID</b>	Automated Procurement System (AF)
<b>AR</b>	Acquisition Reform
<b>ARCC</b>	Acquisition Reform Communications Center

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<b>BPA</b>	Blanket Purchase Agreement/Authority
<b>BRAC</b>	Base Realignment and Closure Commission

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<b>CAAS</b>	Contracting for Advisory Assistance Service
<b>CAS</b>	Cost Accounting Standards
<b>CBD</b>	Commerce Business Daily
<b>CCR</b>	Central Control Register
<b>CLIN</b>	Contract Line Item Number
<b>CLS</b>	Contractor Logistics Support
<b>COC</b>	Certificate of Competency

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<b>DAC</b>	Defense Acquisition Circular
<b>DAU</b>	Defense Acquisition University
<b>DAWIA</b>	Defense Acquisition Workforce Improvement Act
<b>DCAA</b>	Defense Contract Audit Agency
<b>DEA</b>	Drug Enforcement Agency
<b>DFARS</b>	Defense Federal Acquisition Regulations
<b>DISA</b>	Defense Information Systems Agency
<b>DLA</b>	Defense Logistics Agency
<b>DOD</b>	Department of Defense
<b>DOE</b>	Department of Energy
<b>DOL</b>	Department of Labor
<b>D/L</b>	Distance Learning

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<b>EC</b>	Electronic Commerce
<b>EEC</b>	Equal Employment Council
<b>EEO</b>	Equal Employment Opportunity
<b>EDI</b>	Electronic Data Interchange
<b>EPA</b>	Environmental Protection Agency

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<b>FAC</b>	Federal Acquisition Circular
<b>FACNET</b>	Federal Acquisition Computer Network
<b>FAI</b>	Federal Acquisition Institute
<b>FAR</b>	Federal Acquisition Regulations
<b>FASA</b>	Federal Acquisition Streamlining Act
<b>FIRMR</b>	Federal Information Resource Management Regulation
<b>FSS</b>	Federal Supply Service

## COMMON ACQUISITION ACRONYMS

<b>GAO</b>	General Accounting Office
<b>GSA</b>	General Services Administration
<b>GSBCA</b>	General Services Board of Contract Appeals
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<b>HCA</b>	Head of Contracting Agency
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<b>IDIQ</b>	Indefinite Delivery Indefinite Quantity
<b>IG</b>	Inspector General
<b>IMPAC</b>	International Merchant Purchase Authorization Card
<b>IPT</b>	Integrated Product Team
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<b>J &amp; A</b>	Justification and Analysis
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<b>MODs</b>	Modifications
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<b>NSN</b>	National Stock Number
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<b>OFPP</b>	Office of Federal Procurement Policy
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<b>PAT</b>	Process Action Team
<b>PCO</b>	Procuring Contracting Officer
<b>PNM</b>	Price Negotiation Memorandum
<b>PDUSD(A&amp;T)</b>	Principal Deputy Under Secretary of Defense (Acquisition & Technology)
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<b>RFP</b>	Request for Proposal
<b>RFQ</b>	Request for Quotes
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<b>SAP</b>	Simplified Acquisition Procedures
<b>SAE</b>	Service Acquisition Executive
<b>SAT</b>	Simplified Acquisition Threshold
<b>SDB</b>	Small Disadvantaged Business
<b>SF</b>	Standard Form
<b>SOO</b>	Statement of Objective (AF)
<b>SOW</b>	Statement of Work
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<b>TINA</b>	Truth in Negotiations Act
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<b>UCC</b>	Uniform Commercial Code
<b>USD(A&amp;T)</b>	Under Secretary of Defense (Acquisition and Technology)
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<b>VA</b>	Veterans Administration
<b>VAN</b>	Value Added Network

